5. Shri Ravi Narain, Managing Director & CEO, National Stock Exchange
6. Dr. Manoj Vaish, Executive Director & CEO, Bombay Stock Exchange
7. Shri Manjit Singh, Executive Director, Ludhiana Stock Exchange
8. Mr. Amit Mitra, Secretary General, FICCI
9. Mr. Rajendra Chitale, Managing Partner, M.R Chitale & Co.

(c) Under Regulation 9 of the SEBI (CLA) Regulations, the CLA has to discharge the following functions:

(i) Processing the application made by any body corporate, Mutual Fund or Collective Investment Scheme for the letter of recommendations;

(ii) Making recommendations as to listing conditions; and

(iii) Any other functions as may be specified by SEBI from time to time.

(d) There is no such proposal under consideration.

(e) and (f) Does not arise.

**Short Term Deposits from NRIs**

1723. SHRI K. RAMA MOHANA RAO: Will the Minister of FINANCE be pleased to state:

(a) what precautionary measures have been taken by the RBI to curb inflow of "Hot Money" or "short term deposits" from NRIs;

(b) whether it is a fact that the minimum maturity period of fresh NRI deposits has been increased from six months to one year;

(c) what is the rate of interest given on NRI deposits for one, two and three years; and

(d) the details of NRI deposits during the last three years, year-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) In order to curb inflow of "Hot money" or "Short term deposits" from NRIs and with a view to provide uniformity in the maturity structure of all types of repatriable

deposits whether in foreign currency or in rupees, the RBI has issued instructions that *w.e.f.* 29.04.2003, the maturity period of fresh NRE deposits will normally be one year to three years. This also applies to NRE, deposits renewed after their present maturity period. Further, inorder to provide consistency in the interest rates offered to non-resident Indians, the Reserve Bank has, effective July 17,2003 and until further notice, prescribed that the interest rates on fresh repatriable NRE deposits for one to three year maturity should not exceed 250 basis points above the LIBOR/SWAP rates for US dollar of corresponding maturity. The above change in interest rates is also applicable to repatriable NRE deposits renewed after their present maturity period.

(c) The rate of interest paid by the bank's on NRI deposits is as under:—

| Type of deposits | Rate of Interest |
|---|---|
| NRI Saving Bank | 3.5% (with effect from 1.3.2003) |
| Current Accounts | Nil |
| Term Deposits | The banks were free to decide the interest rate till 16.7.2003. Effecive from 17.7.2003 interest rate should not exceed 250 basis points above the LIBOR/SWAP rates for US dollar of corresponding maturity, for fresh deposits of one to three years and the renewal of matured deposits. |

(d) As per Reserve Bank of India, the details of deposit inflows and outflows under various NRI deposit schemes of Banks are as under:
(US $ million)

| Deposits Schemes | 2001-01 | 2001-02 | 2002-03 |
|---|---|---|---|
| Foreign Currency Non-Resident (Banks) | 904 | 594 | 520 Non- |
| Resident (External) Rupee Account | 860 | 1626 | 5988 Non-Resident |
| (Non Repatriable) Rupee Deposit 553 | 508 | -3704 | |
| TOTAL: | 2317 | 2728 | 2804 |